

PRINCIPAL SHOPPING DISTRICTS AND BUSINESS IMPROVEMENT DISTRICTS (EXCERPT)
Act 120 of 1961

125.990h Assessments.

Sec. 10h. (1) A business improvement zone may be funded in whole or in part by 1 or more assessments on assessable property, as provided in the zone plan. An assessment under this chapter shall be in addition to any taxes or special assessments otherwise imposed on assessable property. The business improvement zone, with the approval of the board, may enter into agreements with 1 or more property owners in the city or village providing for the provision of business zone activities or services to the property owner or owners by the business improvement zone in exchange for monetary contributions to the business improvement zone from the property owner or owners. An agreement providing for the provision of business zone activities or services described in this subsection shall be in writing and shall be made available to all property owners of assessable property in the zone area.

(2) An assessment shall be imposed against assessable property only on the basis of the benefits to assessable property afforded by the zone plan. There is a rebuttable presumption that a zone plan and any project specially benefits all assessable property in a zone area.

(3) If a zone plan provides for an assessment, the treasurer of the city or village in which the zone area is located as an agent of the business improvement zone shall collect the assessment imposed by the board under the zone plan on all assessable property within the zone area in the amount authorized by the zone plan.

(4) Except as provided in subsection (6), assessments shall be collected by the treasurer of the city or village as an agent of the business improvement zone from each property owner and remitted promptly to the business improvement zone. Assessment revenue is the property of the business improvement zone and not the city or village in which the business improvement zone is located. The business improvement zone may, at the option and under the direction of the treasurer, assist the treasurer of the city or village in collecting the assessment to keep the expenses of collecting the assessment at a minimum.

(5) The business improvement zone may institute a civil action to collect any delinquent assessment and interest.

(6) An assessment is delinquent if it has not been paid within 90 days after it was due as provided under the zone plan imposed under this chapter. Delinquent assessments shall be collected by the business improvement zone. Delinquent assessments shall accrue interest at a rate of 1.5% per month until paid.

(7) If any portion of the assessment has not been paid within 90 days after it was due, that portion of the unpaid assessment shall constitute a lien on the property. The lien amount shall be for the unpaid portion of the assessment and shall include any applicable interest. Alternatively, a delinquent and unpaid assessment may, at the request of the business improvement zone, be returned as delinquent by the treasurer of the city or village and collected in the same manner as a delinquent tax special assessment along with any associated interest, fees, and costs under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155. However, property is not subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a, for nonpayment of an assessment under this chapter unless the property also is subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a, for delinquent property taxes. If a parcel of assessable property that has a delinquent and unpaid assessment is sold to a purchaser who is not related or affiliated to the seller, as determined by the board, the board may reduce or eliminate any delinquent and unpaid assessment on that parcel of assessable property if the property is not subject to forfeiture, foreclosure, and sale under sections 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78 to 211.79a. If the delinquent property taxes are paid, the property may not be forfeited, foreclosed, and sold for an unpaid assessment under this chapter.

History: Add. 2001, Act 260, Eff. Mar. 1, 2002;—Am. 2013, Act 126, Imd. Eff. Oct. 9, 2013.

Popular name: Shopping Areas Redevelopment Act